

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **September 30, 2003**

AGENDA ITEM NO.: 6

CONSENT: **X**

REGULAR:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Assignment of Britannia Aviation Lease to Aviation Technical Services**

RECOMMENDATION:

Approve an assignment of the current lease for the aircraft maintenance hangar facility at Lynchburg Regional Airport from Britannia Aviation Services to Aviation Technical Services (ATS), and authorize the City Manager to execute the assignment on behalf of the City.

SUMMARY:

On February 12, 2002, City Council approved a five (5) year lease agreement with Britannia Aviation Services to operate the aircraft maintenance hangar facility (AP 212, Hangars #7 and #8) at Lynchburg Regional Airport. Since the execution of the lease effective April 1, 2002 and throughout the subsequent certification process as an FAA-approved Repair Station, the facility has operated as Aviation Technical Services. Based upon this and the recent sale of all interest in Britannia Aviation Services by ATS president Paul Martin, it has become necessary for the current lease under the name of Britannia Aviation Services to be formally assigned to ATS. All senior management and principal interest in the operation will remain the same.

There is no statutory requirement for a public hearing prior to the assignment of a lease of City property.

PRIOR ACTION(S): February 12, 2002, lease approval

FISCAL IMPACT:

None. All terms and conditions of the existing lease will remain in force.

CONTACT(S): Mark F. Courtney 582-1150 extension 222 Airport Manager

ATTACHMENT(S): ATS Lease Assignment

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED That the Lynchburg City Council approves an assignment of the lease by and between the City of Lynchburg and Britannia Aviation Services, Inc. dated April 1, 2002 to Aviation Technical Services, Inc. (d.b.a. ATS) to operate the aircraft maintenance facility (AP212, Hangars #7 and #8) for approved aeronautical services at Lynchburg Regional Airport; and,

BE IT FURTHER RESOLVED That the City Manager is authorized to execute the lease assignment.

Adopted:

Certified:

Clerk of Council

160L

**ASSIGNMENT OF AIRCRAFT AND OFFICE LEASE
AP 212, HANGARS #7 AND #8**

THIS ASSIGNMENT OF AIRCRAFT AND OFFICE LEASE, made and entered into on this ____ day of October 2003, by and between the **CITY OF LYNCHBURG**, a municipal corporation of the Commonwealth of Virginia, (the "City"); **BRITANNIA AVIATION SERVICES, INC.** a Virginia corporation, ("Britannia"); and **AVIATION TECHNICAL SERVICES**, a Virginia corporation ("ATS");

WITNESSETH:

WHEREAS, the City owns and operates a public facility known as the Lynchburg Regional Airport, located in Campbell County, Virginia (the "Airport"), together with certain structures and improvements thereon; and

WHEREAS, the City and Britannia entered into a Lease Agreement dated April 1, 2002 (the "Lease Agreement"), wherein Britannia was granted a lease from the City of certain airport maintenance hangar facilities known as AP 212, Hangars #7 and #8 (the "Hangars") for the purpose of providing aeronautical services at the Airport; and

WHEREAS, Britannia desires to assign the Lease Agreement to ATS and ATS desires to accept such assignment and to the lease the Hangars for the purpose of providing aeronautical services at the Airport, and is willing to perform all of the terms and conditions contained in the Lease Agreement; and

WHEREAS, the City consents to the assignment of the Lease Agreement from Britannia to ATS, subject to the terms and conditions contained in this Assignment of Aircraft and Office Lease and subject to the terms and conditions contained in the Lease Agreement.

NOW, THEREFORE, WITNESSETH: For and in consideration of the sum of One Dollar (\$1.00), cash in hand paid, and other valuable consideration, the receipt of which is hereby

acknowledged, and in consideration of the mutual promises and covenants hereinafter contained, the parties hereto mutually agree as follows, to wit:

SECTION 1 – ASSIGNMENT OF LEASE AGREEMENT

For value received, Britannia does hereby assign and transfer to ATS all of its right, title and interest to the Lease Agreement dated April 1, 2002, between the City and Britannia, which Lease Agreement, by this reference, is incorporated herein and made a part hereof.

SECTION 2 – ACCEPTANCE OF ASSIGNMENT

For value received, ATS hereby accepts the assignment of the Lease Agreement from Britannia for the lease from the City of the Hangars and, in consideration of the consent of the City to the assignment, agrees that it will be bound by and will perform all of the terms and conditions set forth in the Lease Agreement between the City and Britannia.

SECTION 3 – CONSENT BY THE CITY

Pursuant to ARTICLE XIII - ASSIGNMENT OR TRANSFER OF AGREEMENT of the Lease Agreement, the City hereby consents to the assignment of the Lease Agreement for the lease of the Hangars for the purpose of providing aeronautical services at the Airport. It is expressly agreed and understood that the consent to the assignment shall not be construed as a waiver by the City of the right to enforce all of the terms and conditions set forth in the Lease Agreement. Furthermore, it is expressly agreed and understood that all the terms and conditions set forth in the Lease Agreement shall remain in full force and effect.

The City hereby releases Britannia from any and all liability under the Lease Agreement for acts or omissions following the date hereof, however, Britannia remains bound by ARTICLE VI – INDEMNIFICATION and ARTICLE VII – INSURANCE of the Lease Agreement with respect to all acts or omissions occurring on or before the effective date of this assignment.

SECTION 4 – NOTICES

Any notices to be provided by the City to ATS will be addressed to Paul Martin, ATS, 310 Hangar Road, Lynchburg, VA 24502. All other terms and conditions of ARTICLE XIV - NOTICES of the Lease Agreement remain the same.

SECTION 5 – TERMS AND CONDITIONS

Except as modified herein, all the terms and conditions set forth in the Lease Agreement remain in full force and effect and shall apply to this Assignment of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment of Lease Agreement to be executed by their duly authorized officers and their respective seals to be here unto affixed as of the day and year first above written.

CITY OF LYNCHBURG

By: _____
City Manager

(SEAL)

ATTEST: _____
Clerk of Council

AVIATION TECHNICAL SERVICES, INC.

By: _____
Paul J. Marten
President and CEO

(SEAL)

ATTEST: _____

BRITANNIA AVIATION SERVICES

By: _____
Philip Carey
President

(SEAL)

ATTEST: _____